

The Railroad Grade Crossing Fund

I. PURPOSE

The Indiana State Legislature established the Railroad Grade Crossing Fund (RRGCF) to provide funding for railroad crossing safety improvement projects throughout Indiana. The RRGCF applies to both passive and train activated improvements. The amount of available funds effectively limits the type of improvements at active crossings. Train activated improvements are made using federally supplied funds authorized in Section 130 of United States Code Title 23 (23 U.S.C.).

Passively warned grade crossings are those that utilize non train-activated warning devices. The RRGCF program management principles are designed to promote uniform application of administrative rules and procedures, obligate funds and pay valid claims promptly, and fulfill oversight duties.

This management plan explains the policies and procedures used by the Indiana Department of Transportation (INDOT) Rail Office to administer the RRGCF. This will assist INDOT project managers and local recipients to meet their program responsibilities.

This management plan is organized chronologically from the availability of funding to the final accounting of expended funds.

II. STATUTORY AUTHORITY

The RRGCF was created by the 1997 Indiana General Assembly (I.C. 8-6-7.7-6.1) to assist railroads and local jurisdictions improve safety at railroad-highway intersections. The Indiana Code noted above specifies the following regarding the RRGCF program:

- An entity undertaking a passive railroad crossing safety project shall pay the cost of acquiring any easements required by the passive railroad crossing safety project and shall be responsible for the maintenance and operation of the completed project.

- The balance of money in the railroad grade crossing fund does not revert to the state general fund at the close of any fiscal year but remains available to INDOT.

III. ROLES AND RESPONSIBILITIES

Eligible Recipients

Eligible recipients as defined by the Indiana Code (I.C. 8-6-7.7-6.1) include units of government and railroad companies. Units of government include cities, counties, and towns.

The eligible recipient is responsible for:

- Assessing local railroad crossing safety needs;
- Completing and submitting project applications; and
- Completing and submitting grant agreements.

Additionally, an eligible recipient is responsible for the following reporting requirements:

- Completing the contract invoice voucher;
- Completing the project spending report; and
- Providing INDOT with copies of project-related bills and/or invoices.

No matching contribution is required by an eligible recipient except as indicated.

Eligible Projects

Projects eligible for funding through the RRGCF consist of railroad crossing safety improvement projects including:

- Crossing closures;
- Illumination;
- Median barriers;
- Pavement markings;

- Railroad-highway crossing surface maintenance may require a contribution by the railroad
- Sight obstruction removal (i.e., vegetation) 50% match by applicant;
- Signage (e.g., stop signs, yield signs, and other advance warning signs);
- Upgrade incandescent bulbs to LEDs; and
- Other safety improvement measures.

Administering Agency

The Indiana Department of Transportation is responsible for administering the RRGCF. This includes:

- Allocating funds using the criteria noted in Section IV;
- Monitoring and accounting for RRGCF expenditures; and
- Providing technical assistance concerning the RRGCF program.

Project selection decisions will be made by the Railroad Grade Crossing Fund Committee. This committee will be comprised of six individuals: Rail Office Manager - Chairperson, Senior Rail Planner, Code Enforcement Officer, Office of Safety and Mobility representative, and two District Rail Utility Coordinators.

For assistance, contact the Rail Office at (317) 232-1474.

IV. THE RRGCF FUNDING PROCESS

The RRGCF funding process is divided into the following steps:

- Appropriations;
- Applications;
- Project Selection;
- Grant Agreements; and
- Claims and Payments.

Each of these steps is discussed in further detail below.

Appropriations

The Indiana State Legislature is responsible for making funding appropriations to the RRGCF program. The State Legislature makes appropriations every two years to the RRGCF program in conjunction with the State's biennial budget process. Any balance of funds remaining from a previous year's appropriation may be added to the next year's appropriation.

To facilitate timely application review and grant disbursement, the RRGCF has been separated into two funding programs:

- Crossing Closure Program
- Other Safety Improvements Program

Exhibit 1 - Railroad Grade Crossing Fund Schedule

Activity	Responsible Party	Date
A. Prepare Letter Soliciting Projects	Rail Office	October
B. Prepare Grant Agreement Templates	Rail Office	Oct - Nov
C. Other Safety Improvements Application Deadline	Applicants	January 9
D. Other Safety Improvements Application Review	Rail Office	Dec - Jan
E. Crossing Closure Application	Applicants	On-going
F. Crossing Closure Application	Rail Office	On-going

Review

G. Grant Agreement Signatory Process	Rail Office/Applicants	Feb - Apr Ongoing for closures
H. Notices to Proceed	Rail Office	April - May Ongoing for closures

Applications

To apply for project funding from the RRGCF, an eligible recipient must submit an application to INDOT for eligible projects as defined in Section III. Application forms are available on the INDOT internet site (<http://www.in.gov/dot/modetrans/train/page4.html>). An application for the Other Safety Improvements Program may not exceed \$50,000.

Project Selection

The RRGCF has been separated into two funding programs: (1) Crossing Closures; and (2) Other Safety Improvements. These funding programs are discussed in further detail below.

Crossing Closure Program

According to the Federal Railroad Administration (FRA), the most effective way to improve railroad crossing safety is to close crossings. Thus, INDOT has developed this program to compensate communities that choose to permanently close passive crossings. Currently, \$300,000 is available for crossing closures. Crossings with tracks out of service or in the process of abandonment are not eligible for this program.

Projects will be funded on a first come first selected basis. The selection process will continue until available funds are exhausted. Exhibit 2 will be used to determine the amount INDOT will pay a city, county, or town to close a crossing. The amount awarded through this program is independent of any contribution made by a railroad. Appendix A provides the methodology to locate the predicted accident rate for a given crossing.

Exhibit 2 – Crossing Closure Grant Awards

\$15,000	\$25,000	\$40,000	\$55,000
$R \leq 0.001$	$0.001 < R \leq 0.01$	$0.01 < R \leq 0.02$	Rate > 0.02
Predicted Accident Rate			

Only one crossing can be included in each application submitted by a unit of government for the Crossing Closure Program; however, units can submit more than one application per fiscal year. If a crossing is not selected for funding in a given fiscal year, the applicant must resubmit an application for the crossing to be included in the subsequent year's pool of crossing closure candidates.

As the source of this funding is the Indiana Motor Vehicle Highway Fund, grants provided under this program may only be used for highway projects.

Applications for the Crossing Closure Program are accepted throughout a given fiscal year until funds are exhausted.

Other Safety Improvements Program

The purpose of this program is to increase safety at railroad-highway crossings. Under this program, cities, counties, towns, and railroad companies may apply for grants to fund projects involving illumination, median barriers, pavement markings, railroad-highway crossing surface maintenance, sight obstruction removal (i.e., vegetation), signage (e.g., stop signs, yield signs, and other advanced warning signs), upgrade of incandescent bulbs at train-activated crossings to LEDs and other safety improvement projects. Class I railroads are not eligible for this program.

Railroad-highway crossing surface maintenance projects may require a contribution of up to 50% by the railroad at the discretion of the committee. Additionally, eligible railroads may not request surface maintenance funding for more than two crossings per fiscal year.

\$700,000 is available for the Other Safety Improvements Program. Criteria used to select which projects will be funded include project need, the size of the governmental unit, the number of carloads carried per mile, and the project type. The maximum grant to a railroad or governmental unit for other safety improvement projects is \$50,000; grants for crossing closure will not decrease the maximum grant award for the Other Safety Improvements Program. INDOT reserves the right to line-item veto portions of submitted applications.

Applications for the Other Safety Improvements Program are due no later than January 9 of a given fiscal year.

Unused funding from the Other Safety Improvements Program can be flexed into the Crossing Closure Program during any fiscal year.

Grant Agreements

After selecting projects to be funded, INDOT will execute a grant agreement with the recipient. Grant agreements are effective for 12 months from the date the agreement is fully executed and a purchase order has been generated. The project will be inspected by INDOT personnel prior to the applicant receiving a Notice to Proceed. The Notice to Proceed will be sent by the Rail Office. After project selections have been approved, INDOT will send grant recipients an agreement to sign and return.

Claims and Payment

Once a grant agreement and purchase order are in place, the RRGCF recipient may apply for payment using an invoice voucher. The recipient is also responsible for completing a project spending report and providing INDOT with copies of project-related bills and/or invoices. INDOT will provide each grant recipient a copy of the signed agreement, the purchase order, invoice voucher, and the instructions for completing and submitting the voucher.

After the LPA has permanently closed a crossing, the LPA may submit an invoice voucher for the full amount of the grant, regardless of the actual cost incurred to close the crossing. An inspection by the INDOT will be conducted prior to payment.

For other safety improvement projects, the grant recipient may apply for reimbursement using an invoice voucher and attaching a project spending report and copies of project related bills and/or invoices.

Prior to final payment, INDOT personnel will verify that the work has been completed. The Entity must also provide a paid receipt for material and/or services prior to INDOT authorizing final payment.

V. APPEALS

Any applicant not receiving approval of their application may appeal the selection decision to the Director of INDOT's Local Programs Division. The Local Programs Division Director will review all appeals. The process for filing an appeal is as follows:

1. The affected applicant must send, by certified mail, an appeal within 15 calendar days after receiving notification of INDOT's decision. The appeal should be mailed to:

John Jordan, Director
Local Programs Division
Indiana Department of Transportation
100 North Senate Avenue, Room N955
Indianapolis, IN 46204-2228
2. INDOT will conduct a preliminary review within five working days, and if necessary, request by certified mail additional information from the applicant;
3. INDOT will allow five working days for receipt of additional materials;

4. The Local Programs Division Director will make a final decision and notify the applicant in writing within 15 working days from the receipt of the appeal request or from the receipt of all requested additional information
5. The applicant may appeal INDOT's final decision in accordance with Indiana Code 4-21.5-3-1, et seq.

VI. TIME EXTENSIONS

INDOT will consider up to a six month time extension for good cause shown. Requests for time extensions should be forwarded to:

Michael Riley, Manager
Rail Office
Indiana Department of Transportation
100 North Senate Avenue, Room N955
Indianapolis, IN 46204-2228

VII. PROJECT CLOSE-OUT

Purchase orders will be closed after final payment.

Deobligations

When a safety improvement project is complete and the grant exceeds the amount spent, INDOT will deobligate the excess funds. Other Safety Improvement Program grant monies will also be deobligated when a project is not completed within the contract time, including extensions. In the event an LPA does not close a crossing within the contract time, including approved extensions, INDOT will deobligate the funds.

Deobligated funds revert to the RRGCF.

